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SUBJECT: HELMS SUBCOMMITTEE HEARINGS ON PANAMA, 3/10/86

- CONFIDENTIAL ENTIRE TEXT.
- 2. ON MARCH 10 THE SENATE FOREIGN RELATIONS SUBCOMMITTEE ON WESTERN HEMISPHERE AFFAIRS HEARD FOUR PUBLIC WITNESSES' TESTIMONY ON HUMAN RIGHTS AND THE POLITICAL SITUATION IN PANAMA. SENATOR HELMS WAS THE ONLY MEMBER PRESENT, WITH MOST OTHER MEMBERS AT THE JAVITS FUNERAL IN NEW YORK. HELMS' REMARKS WERE FAIRLY RESTRAINED.
- 3. WINSTON AND LAURA SPADAFORA AND LA PRESNA EDITOR ROBERTO EISENMANN WERE PRESENT, BUT SPOKE THROUGH MRS. ADELAIDE EISENMANN, A LONG-TIME WASHINGTON LOBBYIST FOR PANAMA'S OPPOSITION. FAMILIAR THEMES WERE AIRED ON THE SPADAFORA MURDER, THE BARLETTA RESIGNATION, HARRASSMENT OF THE PRESS, THE POLITICAL ROLE OF THE MILITARY, AND OFFICIAL CORRUPTION AND INVOLVEMENT IN THE DRUG AND ARMS TRAFFIC. LITTLE NEW WAS SAID. LOS ANGELES TIMES JOURNALIST NORMAN BAILEY URGED OAS ACTION, WITH USG SUPPORT, TO ENABLE NICOLAS BARLETTA TO RESUME THE PRESIDENCY, FROM WHICH BAILEY SAID HE IS CONSTITUTIONALLY ON LEAVE.
- FORMER AMB. MOSS AND ACADEMIC RICHARD MILLETT (CHAIRMAN OF LATIN AMERICAN STUDIES AT SOUTHERN ILLINOIS UNIVERSITY) STRESSED THE EFFECT OF PANAMA'S ECONOMIC PROBLEMS ON POLITICAL STABILITY. BOTH ARGUED THAT THE POLITICAL ROLE OF THE MILITARY WAS INSTITUTIONAL AND THUS COULD NOT BE RESOLVED BY CHANGING FACES. THEY SAID REFORM WOULD HAVE TO COME STEP BY STEP. BOTH NOTED THAT THE POWER OF THE US TO DICTATE PANAMA'S POLITICAL DEVELOPMENT WAS LIMITED, AND COULD AROUSE NATIONALISTIC RESENTMENT IF USED CLUMSILY. ASKED TO EVALUATE THE PRESENT HUMAN RIGHTS SITUATION IN PANAMA, MOSS SAID THERE SEEMED TO BE MORE FEAR OF SPEAKING OUT AGAINST THE GOVERNMENT THAN WHEN HE WAS AMBASSADOR, BUT HE STILL COMPARED PANAMA FAVORABLY WITH MANY COUNTRIES IN THE REGION.
- 5. SEN. HELMS' INTEREST SEEMED TO CENTER ON ALLEGATIONS OF INVOLVEMENT OF SENIOR GOP AND PDF OFFICIALS IN DRUG TRAFFICKING. NONE OF THE WITNESSES PRESENTED ANY SPECIFIC EVIDENCE TO SUPPORT ALLEGATIONS THAT SUCH

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INVOLVEMENT WAS WIDESPREAD AND PERVASIVE. MRS. EISENMANN SAID REAL EVIDENCE IS IN HANDS OF USG. BAILEY SAID THAT A GOOD DEAL OF HARD INFORMATION EXISTS EVEN IN UNCLASSIFIED FORM, E.G. THAT IN POSSESSION OF SPADAFORA FAMILY. AMB. MOSS STATED THAT DURING HIS TENURE HE WAS NOT AWARE OF ANY EVIDENCE OF OFFICIAL. INVOLVEMENT IN DRUG TRAFFICKING IN PANAMA, BUT RATHER THAT THERE HAD BEEN MUCH OFFICIAL COOPERATION FROM GOP AUTHORITIES IN ACTIONS AGAINST ABUSE OF PANAMA BY DRUG TRAFFICKERS.

6. HELMS NOTED THAT ASSISTANT SECRETARY ABRAMS HAD AGREED TO APPEAR CONCERNING PANAMA AT END OF MARCH OR EARLY APRIL, AND THAT HE WOULD THEREFORE BE HOLDING FURTHER HEARINGS, INCLUDING A CLOSED ONE ON DRUGS. HE STATED HE ALSO INTENDED HEARINGS ON WHAT HE CHARACTERIZED AS AN ANALAGOUS AND EQUALLY SERIOUS SITUATION IN MEXICO. WHITEHEAD END OF MESSAGE CONFIDENTIAL

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